



Community Development Block Grants Economic Development Infrastructure Financing Application & Guidelines

Published March 2023



OKLAHOMA
Commerce

EDIF Application Guidance

2023

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Application Guidance

The purpose of this Application Guide is to provide guidance in preparing an application for Community Development Block Grant (CDBG) Economic Development Infrastructure Financing (EDIF) assistance. Complete information is required for the Oklahoma Department of Commerce/Community Development (ODOC/CD) to make an analysis of requests for funding.

The CDBG Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. Oklahoma's CDBG program is administered by ODOC and is designed to provide infrastructure financing to eligible units of local government for the benefit of new or expanding industries. Eligible units of local government sponsor applications for public infrastructure financing on behalf of private businesses that will create jobs resulting from the improvements. A CDBG award is in the form of a grant. The unit of local government is responsible for ensuring that the proposed project meets the funding criteria, and all applicable state and federal rules and regulations.

National Objective

The national objective of this program is "the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for persons of low and moderate income (LMI)". The State program will achieve this national objective by funding projects that primarily create jobs for LMI persons, defined as multi- or single-person households having incomes equal to or less than 80% of the county median income. Income levels are defined by the U.S. Department of Housing and Urban Development (HUD) under the provisions of 24 CFR Part 813 for the Section 8 Housing Assistance payment programs (refer to Appendix A for income ranges).

Eligible Entities

Eligible applicants are units of local government (incorporated towns, cities, and counties) that are not HUD participants in the CDBG Entitlement Program. Oklahoma's entitlement cities are Edmond, Enid, Lawton, Midwest City, Moore, Norman, Oklahoma City, Shawnee, and Tulsa as well as the units of local government participating in the CDBG Urban County Designation for Tulsa County which consists of the following:

City of Bixby	City of Jenks	City of Skiatook
City of Broken Arrow	City of Owasso	Town of Sperry
City of Collinsville	City of Sand Springs	Unincorporated Tulsa County
City of Glenpool	City of Sapulpa	

An eligible applicant should also be the unit of government having jurisdiction over the maintenance and operation of the proposed activities, and owning the infrastructure improvements

Financing Option

The amount requested should be the minimum amount necessary to make the project feasible not to exceed \$1,000,000. Project cost estimates should be as accurate as possible due to limited resources.

Business Expansions and Targeted Industries

- Targeted towards assisting Oklahoma existing companies' expansion efforts.
- Key Industry Sectors (e.g., renewable energy, agribusiness, aerospace, defense, or other advanced manufacturing), with the new jobs being Quality Job Eligible in terms of health insurance (as long as the company has a plan to meet the National Objective of benefit to low- and moderate-income persons).
- Maximum Grant Amount is \$1,000,000 based upon jobs and leverage.

Uses of Funds

CDBG-EDIF funds can only be provided where the applicant owns, maintains, and operates the improvements. Typical uses of funds include, but are not limited, to the following:

- Acquisition of real property for public ownership and maintenance;
- Acquisition of public facilities for public ownership and maintenance (except for buildings used for the general conduct of government);
- Construction of public facilities;
- Installation of public facilities;
- Reconstruction of publicly owned and maintained industrial buildings or structures and other industrial real property;
- Rehabilitation of publicly owned and maintained industrial buildings or structures and other industrial real property;
- Publicly owned Fiber Optic lines; and
- Reasonable cost of activity delivery cost up to a maximum of \$15,000.

If acquisition of real property is proposed as a part of the project, federal acquisition and relocation requirements become applicable. This in turn may impact proposed project costs.

Ineligible Uses of Funds

Inappropriate uses of CDBG-EDIF funds include, but are not limited to, the following activities:

- Relocating economic activity from one Oklahoma community to another when CDBG funds are the primary motivation factor;
- Refinancing existing debt;
- Financing a loan pool or projects based on speculation (a specific business creating new jobs is required);
- Using CDBG-EDIF funds as a subsidy or substitution for other financing that may be reasonably assumed available;
- Funding infrastructure improvements that are not directly related to the industry being assisted
- Financing a project in which the CDBG-EDIF assistance is NOT the determining factor for project completion;
- Financing a project in which the projections for permanent job creation represent an unreasonable expectation;
- Application for CDBG-EDIF funds will not be considered if project construction has commenced prior to application submittal.
- Using CDBG-EDIF funds for debts, contingencies, contributions and donations, entertainment, fines and penalties, government expenses, interest and other financial costs, legislative expenses, and under recovery of costs under other grant agreements; or

- Financing a project before committing any prior project's accumulated program income. Program income is defined as gross income that is received by either a recipient or sub-recipient and has been directly generated from the use of CDBG funds.
- Beginning construction of the project before the CDBG funds are awarded.
- Reimbursement of CDBG-EDIF funds prior to application submittal, award notification, and environmental review.
- Funding for the benefit of retail, private prisons, or educational institutions.
- Start-up Businesses will not be considered unless the company has cash capitalization of at least 25% of the company's project cost.
- A company can be the beneficiary of only one CDBG-EDIF project at a time. All projected jobs must be created, and the project must be closed out before a company can benefit from another CDBG-EDIF project.

If you have any questions or concerns regarding an ineligible use of the funds, ODOC encourages you to contact the personnel identified in the Technical Assistance section of this guide.

Proper Sponsors

The process of determining which unit of local government (a town, city, or county) should submit or sponsor an application for CDBG-EDIF assistance must include an examination of the location of the proposed improvements, their service delivery area, and proposed beneficiaries. The sponsor should also be the unit of local government which has jurisdiction over the maintenance and operation of the proposed activities and owns the infrastructure improvements. Prospective applicants are advised to contact ODOC/CD BEFORE application submission for any questions relating to proper sponsorship should any additional clarification be required.

SAM.Gov Debarred / Exclusion Check Requirement

The System for Award Management (SAM.gov) is an official website of the U.S. government. ***You must have an active registration in SAM.gov to do business with the Federal Government.*** There is no cost to use SAM.gov. The General Services Administration (GSA) is required by the Federal Acquisition Regulation (FAR) to compile and maintain a list of parties debarred, suspended, or disqualified by federal agencies in SAM.gov. Units of General Local Government (UGLG's), contractors as well as recipients of federal financial assistance must be registered at SAM.gov. Active registration in SAM.gov is required to apply for an award and for HUD to make a payment. ODOC/CD is required by HUD to check UGLG grantees' debarment/exclusion status in the federal SAM database and place a record on file. You can use this site for FREE to:

- Register to do business with the U.S. government
- Update or renew your entity registration
- Check status of an entity registration
- Search for entity registration and exclusion records
- Search for assistance listings (formerly CFDA.gov), wage determinations (formerly WDOL.gov), contract opportunities (formerly FBO.gov), and contract data reports (formerly part of FPDS.gov)

Per the SAM.gov User Guide, the No Active Exclusions field on the SAM.gov Entity summary indicates whether the entity has a current debarment. SAM.gov will check the exclusions list for the Unique Identify Identifier Number (UEI#) of your entity and indicate whether any exclusion records exist. If an active exclusion record exists for your entity, this question will default to “Yes,” meaning that the contractor is debarred. No Record Found means that the entity is not registered or has let its registration lapse. The entity should ensure that the email address is current in SAM.gov so that when automated reminders are sent to renew registration each year that this reminder does not go into spam due to an obsolete email address.

Get started with a SAM.gov registration and the Unique Entity Identifier Number: If you have not yet started your registration, please create an individual user account and log into SAM.gov to register your entity. To register in SAM.gov, at a minimum, you will need the following information:

U.S. REGISTRANTS:

1. Legal Business Name, and Physical Address (A post office box may not be used as your physical address).).
2. Your Taxpayer Identification Number (TIN) and Taxpayer Name associated with your TIN. Review your tax documents from the IRS (such as a 1099 or W-2 form) to find your Taxpayer Name.
3. Your bank's routing number, your bank account number, and your bank account type, i.e. checking or savings, to set up Electronic Funds Transfer (EFT).

Refer to the following website [SAM.gov | Home](https://sam.gov) for the applicable options provided for your entity. If you have already registered, check your status by clicking on “Check Registration Status” and logging in with your username and password; then provide your UEI Number or CAGE Code. You will need to download the information provided by the site by clicking on the Download heading toward the top of the page which creates an electronic pdf copy of the document that will need to be saved for your records. That pdf will be required to be uploaded into OKGrants with the status that shows that the UGLG has an Active status and has NO ACTIVE EXCLUSIONS.

You must renew your registration every 365 days to keep it active. You can make updates to your registration anytime or during renewal.

Proposal Guidance

Technical assistance regarding eligible projects, project concepts, the application guidelines, and other information pertaining to the CDBG-EDIF Program is available upon request.

Applicants are encouraged to contact the staff persons listed below anytime they are uncertain regarding program requirements, project conceptualization, or any portion of the application packet and/or guidelines.

CDBG-EDIF Program Application inquiries may be directed to: Karen Adair, 405-764-5164 or karen.adair@okcommerce.gov.

Technical Assistance

Technical Assistance regarding project concepts, eligible projects, application guidelines, and other information pertaining to the CDBG-EDIF Program is available upon request and encouraged. Questions may be directed to Karen Adair 405-764-5164. Email address: karen.adair@okcommerce.gov

Threshold Criteria

The following minimum requirements must be met before an application will be reviewed:

1. At least 51% of the jobs to be created will be held by or made available to persons who qualify as LMI persons.
2. Proof that Citizen Participation requirements have been met, as evidenced by an application phase public hearing, and creation and adoption of a written Citizen Participation Plan (Sample Attachment A and B)
3. One (1) new dollar from other sources must be committed as financial leverage for every CDBG-EDIF dollar requested. Financial leverage is defined as new money, recently contributed to the project for the express purpose of implementing the proposed project. Financial Leverage must be committed and in place with supporting documentation at the time of application submittal. The source of the new money may be cash or other valuable consideration, e.g., land, bank loans, proceeds from the sale of stocks or bonds or loans from other public agencies. Private and public investments that do not qualify as financial leverage are existing net worth, existing debt, future operating expenses, and inventory. Additionally, In-Kind Leverage is ineligible. Written copies of promissory notes, leases, loan and security agreements, bank statements, and other evidence of receipt of funds will be required to document financial leverage.
4. At least one (1) permanent job will be created for every \$35,000 of CDBG-EDIF funds requested. Lower costs per job ratios are encouraged.
5. The average wage for all new jobs must be at least 100% of the Average County Wage (ACW). If the project does not meet the 100% ACW, the following two criteria may be considered:
 - a. Established Company – in business for at least 10 years.
 - b. County unemployment is higher than the state average.

6. The proposed use of CDBG-EDIF funds must be allowable, allocable, reasonable, and appropriate.

These criteria are defined as follows:

Allowable Costs must be necessary and reasonable for proper and efficient administration of the CDBG program. The costs may not be a general expense required to carry out the overall responsibilities of State, local or federally recognized Indian tribal governments. The costs must be authorized or not prohibited under State or local laws or regulations and must conform to any limitations or exclusions set forth in Federal laws, or other governing limitations as to the types or amounts of cost items. The costs must be consistent with policies, regulations, and procedures that apply uniformly to both federally assisted and other activities of the unit of government of which the Grantee is a part. The costs must be accorded consistent treatment through application of generally accepted accounting principles appropriate to the circumstances. The costs must not be allocable to or included as a cost of any other financed program in either the current or a prior period and must be net of all applicable credits.

Allocable Costs are any costs allocable to a particular grant or cost objective under the principles provided for in the OMB Circular A-87. These costs may not be shifted to other Federal grant programs to overcome fund deficiencies, avoid restrictions imposed by law or grant agreements or for other reasons.

Reasonable and Appropriate projects are those activities that show a clear link between the desired infrastructure improvement activities and the creation of permanent jobs. The reasonableness of proposed project costs is reasonable and consistent with third party fair market prices for that activity.

7. All Towns and cities (Counties are exempt) must submit a copy of the FY 2022 audit or most recent audit or the agreed upon procedures (OK Grants-Online Completion Only) If the City or Town receives less than \$50,000 in annual revenues from its normal business the City or Town cannot apply directly to ODOC. The City or Town can apply only by having the local County apply on their behalf if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party. Any applications by a County to act as an accommodation for a city or Town that does not have \$50,000 in annual revenues from its normal business, will not count against the County's open contract maximum.
8. Applicants must provide responses to all application form questions and satisfy all documentation requirements delineated in this guide.

ODOC shall have sole discretion in the determination of the acceptability of the applicant's application and adherence to the threshold criteria. Failure to meet the Threshold Requirements will result in the rejection of the application.

Evaluation Criteria

Projects will be evaluated, and a funding decision reached as expeditiously as possible. However, project evaluation will depend on the applicant satisfactorily completing the application and all information requested by ODOC.

Economic Development projects may be approved where a Community Development project is in existence. Funds cannot be used to relocate economic activity from one Oklahoma community to another when CDBG funds are the primary motivation factor. Applicants will be asked to justify request when relocation is an issue. Eligible entities are strongly encouraged to apply only for the minimum financing necessary to make the project a reality. Projects must have other new leverage dollars in place or currently applied for.

Applications meeting the requirements shall be evaluated based upon the following criteria. The state will review applications to determine if, and to what extent, the criteria are met. Each application will stand on its own, and the strengths or weaknesses of the applicant's claim will be evaluated. A determination will be made by ODOC as to the likelihood or reasonableness of the claims made by the applicant becoming a reality. The criteria are prioritized according to relative importance to the State.

Evaluation Criteria Point System

If the funding levels reach 75% expended, the Evaluation Criteria Point System will be the determining funding tool of CDBG-EDIF requests. All projects (currently under review and any new applications received) at this point, who meet Eligibility, Threshold and Completeness review will be funded based on the highest points achieved on the Evaluation Criteria Point System until the CDBG-EDIF funds are exhausted. Once funds are exhausted, all applications not funded will be returned to the applicant.

Evaluation Criteria For CDBG-EDIF – Business Expansion

Business Expansions (60 Points Maximum)

Leverage

- 1:1 0 points
- 2:1 1 point
- 3:1 2 points

Each whole number increase is worth one point to a maximum of 10 points. Leverage does not include in-kind contributions, and ratios are rounded down.

New Job Benefits

Does the company provide Quality Job minimum level of health insurance for all full-time positions?

- Yes 5 points
- No 0 points

Average Wages of The New Jobs Compared to Average County Wage (ACW)

County name: _____ Average County Wage _____

- Average wages 100% of ACW _____ 0 points
- Average wages _____ of ACW _____ 5 points
- Average wages _____ of ACW _____ 10 points

Each 5% increase is worth one point to a maximum of 10 points. Percentages are rounded down.

Job Threshold

- Small community population <5,000 people; > 5 jobs 5 points
- Community of 5,000 – 10,000 people; >10 jobs 5 points
- Medium community population 10,000 – 40,000 people:>25 jobs 5 points
- Large community > 40,000 people: > 50 jobs 5 points

Company Information

Is the company a manufacturing company?

Yes 5 points

No 0 points

How long has the company been in existence in Oklahoma?

2 – 0 years 0 points

5 – 3 years 1 points

8 – 6 years 2 points

12 – 9 years 3 points

15 – 13 years 4 points

18 – 16 years 5 points

>18 years 10 points

Project Location

Is the project located in an enterprise zone?

Yes 5 points

No 0 points

Regional Project

How many units of local government involvement does the project include?

One unit 0 points

Two units 5 points

Three units 10 points

Evaluation Criteria For CDBG-EDIF – Targeted Industries

Targeted Industries (55 Points Maximum)

Leverage

1:1 0 points

2:1 1 point

3:1 2 points

Each whole number increase is worth one point to a maximum of 10 points. Leverage does not include in-kind contributions, and ratios are rounded down.

New Job Benefits

Does the company provide Quality Job minimum level of health insurance for all full time positions?

Yes 5 points

No 0 points

Average wages of the new jobs compared to average county wage (ACW)

County name: _____ Average County Wage _____
Average wages 100% of ACW 0 points
Average wages _____ of ACW 5 points
Average wages _____ of ACW 10 points

Each 5% increase is worth one point to a maximum of 10 points. Percentages are rounded down.

Job Threshold:

Small community population <5,000 people; > 5 jobs 5 points
Community of 5,000 – 10,000 people; > 10 jobs 5 points
Medium community population 10,000 – 40,000 people >25 jobs 5 points
Large community > 40,000 people: > 50 jobs 5 points

Company information:

Is the company a manufacturing company?
Yes 5 points
No 0 points

Is the company within an industry targeted by ODOC?
Yes 5 points
No 0 points

Project location:
Is the project located in an enterprise zone?
Yes 5 points
No 0 points

Regional project:
How many units of local government involvement does the project include?
One unit 0 points
Two units 5 points
Three units 10 points

Required Documentation

The following narration provides detailed guidance regarding the documents needed to submit a complete CDBG-EDIF application. Please note that the documentation in items One (1) through Six (6) can only be completed online at <https://grants.ok.gov>. Items Seven (7) through Seventeen (17) are attachments that are required to be completed and then electronically uploaded via the internet to <https://grants.ok.gov>.

1. Application Summary and Certification (OKGrants – Online Completion Only)

The summary requests general information about the applicant and company and must be completed in full. The certification attests to the accuracy and completeness of the application.

2. Project Description (OKGrants – Online Completion Only)

3. Detailed Line-Item Budget (OKGrants – Online Completion Only)

The proposed activities should be highly detailed because they will provide the basis of your contract and project budget should you receive funding. Itemize all sources and uses of funds and provide the requested information on the second page of the form.

As referenced in (24 CFR 570.201-204 and 24 CFR 570.506), costs incurred as a direct result of implementing and executing eligible CDBG activities are known as “Activity Delivery Costs”. These costs are directly attributable to an eligible CDBG project activity. Under the State’s CDBG Economic Development Infrastructure Financing set-aside, the maximum amount of CDBG funds that may be used for Activity Delivery Costs by a CDBG certified administrator is \$15,000.

4. Proposed Staffing Plan (OKGrants – Online Completion Only)

Only Full-Time Equivalent (FTE) permanent jobs may be considered. FTE is defined as follows:

Part-time and seasonal employment positions should be converted to percentages of a full-time equivalency utilizing 1,600 total hours per year. The following conversion formula is to be used when calculating FTE.

$$\frac{\text{hours per year}}{1600 \text{ total hours per year}} = \text{Full-Time Equivalency}$$

$$\begin{array}{lcl} \text{Example:} & 1,200 \text{ hours per year} & = 0.75 \text{ Full-Time Equivalency} \\ & 1600 \text{ total hours per year} & \end{array}$$

Projects that benefit more than one (1) business must provide a Staffing Plan for each business.

5. Audit (OKGrants – Online Completion Only)

Towns and Cities (Counties are exempt) must submit a copy of their FY 2022 audit or their most recent audit or Agreed Upon Procedures with the application. An audit is required to be uploaded as part of the application process. Alternatively, the audit may also be submitted via postal mail to:

Oklahoma Department of Commerce
Administrative Services
Attn: Sharmin Rahman
900 N. Stiles Ave.
Oklahoma City, OK 73104

General audit inquiries and questions regarding audit submissions should be directed to Sharmin Rahman at the following:

Sharmin Rahman, 800-879-6552, ext. 5312, 405-815-5312 or
sharmin.rahman@okcommerce.gov

6. Consultant Form (OKGrants – Online Completion Only)

7. Citizen Participation Requirement ([Attachment A – Upload Form to OKGrants](#))

All applicants, to apply for CDBG assistance, must complete and document the following requirements: (1) create and adopt a Written Citizen Participation Plan and (2) hold an application phase public hearing regarding the CDBG-EDIF Program.

Citizen Participation Plans must be officially adopted and followed by all applicants throughout the life of a project and submitted as Attachment “A” in the application. Re-stating the Citizen Participation Plan outline requirements does not constitute a valid plan. Applicants must clearly state the actions they will undertake to meet the requirements of Written Citizen Participation Plans. (Sample Citizen Participation Plan can be found in the Attachment “A” of the application.) Applicants may readopt prior years Citizen Participation Plans provided that the previous plan has been reviewed and updated as needed to adequately support the proposed project.

Documentation of the “application phase” Public Hearing is also an application requirement. Acceptable documentation consists only of the affidavit of publication, official posting announcing where and when the hearing is to be held along with a listing of the posting locations (posting is an acceptable method of advertising only where it is the standard method used by a unit of local government to provide notice of official meeting), or a copy of the newspaper article announcing the public hearing.

ODOC/CD requires that no less than seven (7) working days be given as advance notice of the application phase Public Hearing or any subsequent public meetings held for the purpose of discussing project activities as they relate to the CDBG-EDIF grant funds.

All written Citizen Participation Plans must explain how an applicant unit of local government will:

1. Provide for and encourage citizen participation, particularly by low- and moderate-income persons who reside in areas where CDBG-EDIF funds are proposed to be used.
2. Ensure citizens will be given reasonable and timely access to local meetings, information and records relating to the unit of local government's proposed and actual use of the CDBG-EDIF funds; including, but not limited to, the following:
 - a. The amount of CDBG-EDIF funds expected to be made available for the current fiscal year if the project is approved;
 - b. The range of activities that may be undertaken with CDBG-EDIF funds;
 - c. The estimated amount of CDBG-EDIF funds proposed to be used for activities that will meet the National Objective of benefit to low- and moderate-income persons;
 - d. The proposed CDBG-EDIF activities likely to result in displacement and the sponsoring unit of local government's anti-displacement and relocation plans developed in accordance with Section 104(d)(1) and (2) of the Act; and
 - e. The basis on which the sponsoring unit of local government may provide technical assistance to groups' representative of persons of low and moderate income that request assistance in developing proposals. The level and type of assistance to be provided are at the discretion of the sponsoring unit of local government. Such assistance need not include providing funds to such groups.
3. Provide for a minimum of two (2) public hearings; one prior to submission of the application for funding of the project that favors the purpose of obtaining citizens' views and formulating or responding to proposals and questions; the other at the end of the

grant period, if the applicant receives funding, that discusses Grantee performance. There must be reasonable notice of the public hearings (ODOC/CD requires seven (7) working days), and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped.

4. Meet the needs of residents with Limited English Proficiency (LEP) in the case of public hearings where a significant number of residents with LEP can reasonably be expected to participate.
5. Provide citizens with reasonable advance notice (ODOC/CD requires seven (7) working days), and the opportunity to comment on proposed activities not previously described in a unit of local government's funding request and activities which are proposed to be deleted or substantially changed in terms of purpose, scope, location or beneficiaries. Substantially changed means changes made in terms of purpose, scope, location or beneficiaries.
6. Provide the place, phone numbers, and times where and when citizens are able to communicate when submitting written complaints and grievances; the process the unit of local government will use to provide for a timely written answer to written complaints and grievances, within fifteen (15) working days where practicable.
7. The application phase public hearing must, at a minimum, address the following topics:
 - a. Community and economic development and housing needs;
 - b. CDBG-EDIF Program purpose, i.e. meet the State's Primary National Objective by creating jobs primarily for families defined as low- and moderate-income persons.
 - c. The development of proposed activities.
8. The Citizen Participation Plan is required to be signed and dated by the chief elected official. The Citizen Participation Plan also requires a Town/City/County seal, or it must be notarized in lieu of the seal.

8. Notice of Public Hearing Sample ([Attachment B-Upload Form to OKGrants](#))

9. Applicant Resolution ([Attachment C – Upload to OKGrants](#))

Applications must include a resolution passed by the current governing body requesting that particular assistance. The Resolution is required to be uploaded as part of the application process. A sample resolution is provided in Attachment "C" of the application. The Resolution is required to be signed and dated by the chief elected official. The Resolution also requires a Town/City/County seal, or it must be notarized in lieu of the seal.

10. Applicant/Recipient Disclosure/Update Report – HUD Form 2880 ([Attachment D – Upload Form to OKGrants](#))

This form must be completed if the minimum requirements of the disclosure are met and certified by the interested parties as set forth in the disclosure. The Applicant/Recipient Disclosure/Update Report is required to be uploaded as part of the application process.

11. Certified Engineering/Architectural Report & Professional Cost Estimates ([Attachment E – Upload to OKGrants](#))

CDBG-EDIF applications require an uploaded copy of the professional engineering/architectural report and professional cost estimates. All cost estimates must be obtained from professional sources and submitted with the application. The CDBG-EDIF projects must have a certified cost estimate from a professional engineer/architect licensed to work in Oklahoma, signed and sealed within six (6) months of the date of submittal. The applicant must include, with their application, a map identifying the location of the proposed infrastructure improvements and the location of the benefiting business(es). The map must clearly show the locations of the improvements and benefiting business(es), including a scale, north arrow, and legend.

Engineering and architectural services paid for with CDBG-EDIF funds must be procured in accordance with ODOC/CD procedures. ODOC/CD reserves the right to review, question, realign and/or negotiate any part of an applicant's proposed project costs including, but not limited to, resident inspection fees, activity delivery costs, leverage, all elements of construction costs, etc. Applicants should be prepared to justify the costs associated with their entire project. Any proposed costs that cannot be fully justified and/or documented shall be subject to change by ODOC/CD.

The maximum amount of CDBG-EDIF funds that may be used for engineering and architectural fees is based on the total proposed CDBG-EDIF construction dollars using the following Rural Economic and Community Development engineering fee table:

USDA – Rural Development Engineering Fee Table

Proposed CDBG Construction Amount	Percentage Limit
\$60,000	13.2
\$70,000	12.6
\$80,000	12.3
\$90,000	12.0
\$100,000	11.9
\$200,000	10.5
\$300,000	9.7
\$400,000	8.9
\$500,000	8.5
\$600,000	8.2
\$700,000	8.0
\$800,000	7.8
\$900,000	7.7
\$1,000,000	7.5
\$2,000,000	6.7
\$3,000,000	6.4
\$4,000,000	6.3
\$5,000,000	6.2

Residential Inspection Fees

The maximum amount of Block Grant funds that may be used for resident inspection is based on the total proposed CDBG-EDIF construction dollar using the USDA-Rural Development resident inspection fee table below:

USDA – Rural Development Resident Inspection Fee Table

Proposed CDBG Construction Amount	Percentage Limit
\$100,000 or less	5.0 (or negotiated lump sum)
\$200,000	4.2
\$300,000	3.8
\$400,000	3.5
\$500,000	3.2

\$600,000	3.0
\$700,000	2.8
\$800,000	2.65
\$900,000	2.5
\$1,000,000	2.4
\$2,000,000	2.3
\$3,000,000	2.2
\$4,000,000	2.1
\$5,000,000	2.0

12. Profit and Loss Balance Sheet [\(Attachment F-Upload Form to OKGrants\)](#)

Financial Information from the Benefiting Business(es):

If the Benefiting Business(es) has been in operation for at least three (3) years and has three (3) complete years of historical statements, then the business will submit

Attachment E signed by the president of the business. If the business receives a score of seven (7) or more based on financial underwriting criteria, it will be assumed that there is a reasonable likelihood that the projected jobs will be created. If the business receives a score of less than seven (7), the business will have the opportunity to submit additional documentation and information to support its claim of the new jobs being created.

If the business(es) has been in operation for less than three (3) years, then the following information is required. From the following requested items, the reviewer shall be able to conclude that the business has a reasonable likelihood of achieving the projected job creation goals. The following information must be Uploaded in the OKGrants in the Upload Section.

Benefiting Business' Business Plan

At a minimum, the Business Plan must consist of the benefiting business' financial condition and a marketing, management, and business operation's analysis. A thorough analysis will be used as an indication of the business' preparedness and potential for the new jobs to be created.

The required financial documentation is as follows:

- Interim Balance Sheets and Profit and Loss Statements dated not more than sixty (60) days from the date of the application
- Pro Forma Balance Sheet, Profit and Loss Statement, and Cash Flow Analysis for the next three (3) years, in the following format (identify, in detail, the underlying assumptions used in preparing the projections):
 - First year, month-by-month with year-end totals
 - Years two and three, quarterly, with year-end totals
 - Inventory Cycle Statement
 - Payroll Cycle Statement
 - Break-Even Analysis
 - Copies of Lease Agreements if the company is renting office space, plant space, or equipment. Copies of leases or proposed leases on a building or equipment.
 - Sales Assurances

If an existing business is being purchased, additional information will be required. Please contact our offices for a listing of needed additional information.

Benefiting Multiple Business Disclosures

Each business that directly benefits from the proposed activity(ies) will be required to submit the documents listed in Section I- Application Requirements and Section II Benefiting Business Requirements of this guide. Each business will also be subject to providing quarterly job reports to the applicant.

13. W-9 Form & Instructions ([Attachment G – Upload to OKGrants](#))

The W-9 form (Taxpayer Identification Number & Certification) is required to be filled out in full.

14. SAM.gov Exclusion / Debarment Verification ([Attachment H – Upload to OKGrants](#))

15. Low- and Moderate-Income Definitions ([Attachment I](#))

16. Metropolitan Statistical Area ([Attachment J](#))

17. HUD Income Limits ([Attachment K](#))

Application Submission

ODOC/CD accepts economic development applications throughout the year. The new funding year begins each April 1st and Application Guidelines are updated at that time. Applications must be submitted online at the following OK Grants web address: <https://grants.ok.gov>. There are no specific application deadlines; however, CDBG-EDIF applications from one program year will not be kept for review past three (3) months into another program year. If the application has not been completed three (3) months into the next program year, the application will be returned for resubmittal using the current year application guidelines. Projects will be evaluated, and a decision reached as expeditiously as possible depending upon the satisfactory completion of the application. Projects will be funded in order of submission of complete applications. Documents other than those specified in this guide may be requested at the discretion of ODOC/CD. ODOC/CD also reserves the right to negotiate with the applicant to realign or change proposed project budgets in an application to determine which activities CDBG funds are to be spent on, and special conditions related to contract award.